1	2	3	4	5	6	7	8	9	10	11
	2. France	45	14	59	51	14	65	53	14	67
	3. Japan	486	222	708	583	219	802	533	208	741
	4. Russian Federation	43	27	70	39	37	76	34	47	81
	5. Switzerland	1	0	1	1	0	1	0	0	0
	6. USA	101	22	123	97	21	118	84	17	101

PR: Partially Revised

Benefit of subsidy regime

1084. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the benefit of subsidy regime at present is being availed of by affluent sections of the society;

(b) if so, whether Government is considering a proposal for better targeting of subsidy to intended beneficiaries; and

(c) if so, the salient features of the proposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The three major subsidies borne explicitly on the budget are food, fertilizers and petroleum subsidies. Fertilizer and petroleum subsidies (particularly on LPG) are universal subsidies available to all users. Food subsidy is targeted to people below the poverty line. Some evaluation studies have brought out the fact that while benefits of food subsidy flow to targeted sections, there are some inclusion and exclusion errors. Based on evaluation studies and feedback received from States, a nine point action plan has been jointly formulated by the Central and the State/UT Governments to strengthen the Targeted Public Distribution System (TPDS). These include regular reviews of the beneficiary lists to ensure coverage of eligible families, involvement of Panchayati Raj Institutions in the public distribution system (PDS) operations, use of information technology, creating awareness among public about PDS operations, etc.

Increase in liquidity for banking sector

1085. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

(a) the extent to which liquidity has been increased for the Banking Sector in the last few months ever since the reports of global melt down started pouring in;

(b) whether it is a fact that the Housing as well as automobile sectors have still not picked up despite increased liquidity;

(c) if so, the reasons therefor;

(d) whether it is also a fact that banks are still not effectively lending to prospective borrowers in these sectors; and

(e) the steps Government has taken to encourage banks to utilize their enhanced liquidity?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) In response to the knock-on effects of the evolving global financial crisis on the domestic financial markets, the Reserve Bank of India (RBI) has taken a number of measures since mid-September, 2008 as indicated in the Third Quarter Review of January 27, 2009. The aim of these measures was to augment domestic and forex liquidity and to enable banks to continue to lend for productive purpose while maintaining credit quality so as to sustain the growth momentum. The measures of the RBI since mid-September, 2008 have resulted in augmentation of actual/potential liquidity of over Rs. 3,88,000 crore. In addition, the permanent reduction in Statutory Liquidity Ratio (SLR) by 1.0 per cent has made available liquid funds of the order of Rs. 40,000 crore for the purpose of credit expansion.

(b) and (c) The outstanding bank credit in 'housing loan' category has increased from Rs. 2,52,932 crore in March, 2008 to Rs. 2,62,277 crore in December, 2008 registering an increase of 3.9%. However, during this period, outstanding bank credit to automobile sector has decreased by 3.7% from Rs. 87,998 crore to Rs. 84,772 crore, mainly because of weak demand.

(d) and (e) Government and RBI have taken a series of measures to ensure uninterrupted availability of credit to various sectors of economy including housing and automobile sectors. The initiatives for housing and automobile sectors include providing a line of credit to Non-banking finance companies (NBFCs) specifically for purchase of commercial vehicles, introducing a refinance facility for National Housing Bank (NHB) for Rs. 4,000 crore, package for borrowers of home loans of upto Rs. 5 lacs and Rs. 5 to 20 lacs, providing assistance to States under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) for purchase of buses of their urban transport system, etc. Further, Government and RBI have also advised banks to permit drawal of funds against the sanctioned working capital limits and term loan, guided by their usual commercial judgement, in view of improved liquidity in the markets.

India's potential for high growth

1086. SHRI VIJAY JAWAHARLAL DARDA:
SHRI GIREESH KUMAR SANGHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of World Bank Report released in June, 2008 "Global Development Finance 2008", wherein it has been indicated that "India has the potential to sustain a high rate of growth for a longer period, but must remove infrastructure bottlenecks";